

Amendment 6 Version 1 to CB 121028 – B&O Tax Ordinance

Sponsor: Council President Nelson

Add reporting requirements regarding use of net revenue

Effect: CB 121028 would require net revenue generated under this ordinance to be used to fund City General Fund investments in the areas of food access, gender based-violence, small business supports, emergency shelter, homelessness prevention and support for worker’s rights and protections. This amendment would require the Executive to report on outcomes associated with use of City GF, including net revenue generated by this ordinance, and the JumpStart Payroll Expense Tax Fund in those five program areas.

CB 121028 would also allow up to \$30 million of net revenue to be used to mitigate the impact of federal funding reductions in four categories: housing stability for low-income tenants, food insecurity, financial stability for affordable housing providers and properties and emergency shelters and homelessness. This amendment would require the Executive to report on what programs received new or additional funding and outcomes associated with that funding.

Add a new subsection 5.D to CB 121028 as follows:

Section 5. Subject to and contingent upon approval of the qualified voters of the City:

A. Proceeds of the business and occupation tax will continue to be deposited into the City’s General Fund. The increases in business and occupation tax rates authorized in Section 1 of this ordinance shall be dedicated for the uses described in subsections 5.B and 5.C of this ordinance. At least three months prior to the Mayor submitting the annual budget, the Executive shall consult with the City Council on the impact of actual and anticipated revenue reductions and federal funding cuts on the programs identified in subsections 5.B and 5.C of this ordinance to inform how the new revenue generated by this ordinance is to be utilized. The Mayor shall submit to the City Council at the same time the budget is transmitted a written proposed plan outlining how the new revenue generated by this ordinance is to be utilized in these areas.

B. The proceeds shall be used:

1. For the business and occupation tax threshold lift and deduction for small businesses.

2. To fund City General Fund investments in the following program areas:

- a. Food access;
- b. Gender-based violence;
- c. Small business supports;
- d. Emergency shelter;
- e. Homelessness prevention; and
- f. Support for workers' rights and protections.

C. Up to \$30 million in proceeds may be used:

1. For implementation costs and ongoing administration of the tax.
2. To mitigate the impact of federal funding reductions in the following program

areas:

- a. Housing stability for low-income tenants;
- b. Food insecurity;
- c. Financial stability for affordable housing providers and properties; and
- d. Emergency shelters and homelessness.

D. The mayor shall submit a written report by July 31 annually, beginning in 2026 and ending four years after the effective date of this ordinance, with the following information:

1. The year-to-date outcomes achieved by the prior year's appropriation of City General Fund or JumpStart Payroll Expense Tax Fund, including the net revenue generated by this ordinance, for all of the program areas in subsection 5.B.2 of this ordinance. The report should include outcomes such as the number of: households receiving food assistance; individuals receiving gender-based violence services; emergency shelter bed nights provided; households placed into permanent housing from emergency shelter; unduplicated households receiving homelessness prevention services, including rental assistance, eviction legal aid, or case management to stay housed; unduplicated small businesses receiving assistance; and workers' rights cases resolved.

2. The new or additional funding that was provided to mitigate federal funding reductions, including programs and funding amounts, as described in subsection 5.C.2 of this ordinance. For any program receiving funding under subsection 5.C.2 of this ordinance, the report should include outcomes achieved year-to-date due to that funding, such as the number of: affordable units preserved through financial stabilization subsidies; households receiving

Jennifer LaBrecque
Select Budget Committee
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food assistance; emergency shelter bed nights provided; and tenants able to remain stably housed.